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Funds Accounted For, Says Stahr

The News Indiana-Bloomington Bureau

BLOOMINGTON, Ind. — Dr.

Elvis J. Stahr, president of Indiana University, hopes he has laid to rest the specter of the Central Intelligence Agency (CIA) on his campus.

Yesterday Stahr expressed concern over the possible misunderstanding of the more than 1,000 foreign students at I.U. regarding the source and use of grants to the university. He then gave an eight-point statement to prevent such misunderstanding.

With the statement, Stahr also produced a digest of the accounting for funds from the three organizations alleged to have been conduits for the CIA. The three are the Institute of International Education, the African-American Institute and the Asian Foundation.

In brief, Stahr said neither the university nor the I.U. Foundation has ever been offered or given any funds by the CIA.

ALL RECEIPTS ARE AUDITED

All university receipts from all sources, he said, are audited by the State Board of Accounts, are reported quarterly to the State Budget Agency (as required by law) and become a matter of public record at the Statehouse.

He noted that the I.U. Foundation, while a private nonprofit corporation, is not a secret corporation. Its books are audited annually, and the audit is reviewed by an audit committee of Eugene Beesley, president of Eli Lilly & Co.

J. Dwight Peterson, chairman of the board of Cities Securities Corp., and Gerald R. Redding of the Baker and Daniels law firm.

All funds received from the three organizations listed as CIA conduits were used to carry out the programs for which they were received, primarily in scholarships for African and Asian students. Some of the money was returned to the organizations and all was accounted for to the State Board of Accounts.

SALARIES FILED WITH AGENCY

In response to a reported charge by state Sen. Nelson G. Grills, D-Indianapolis, that the university has been guilty of not fully disclosing its financial facts, especially faculty salaries, Stahr said:

"As far as salaries go, all he has to do is go to the Budget Agency. They are all on file there, including any portion of the salary that is paid by the foundation.

"For a good many years now the (I.U.) Foundation has raised money to help us supplement salaries of a few of our more distinguished professors to try to keep them here; in some instances, to bring them here. These are all shown in the university budget.

"As to what other income professors may make from consulting and things like that, they are under our regular policies which are similar to those of all major universities of the country. They permit a certain amount of consulting, but also limit it, normally to an average of one day a week."

Stahr, Elvis J.
Org. 1 Indiana Univ.
CIA 2-04.2 Foundations